

IRCJ transfers Hattori Gangu K.K. debt to sponsor

Tokyo, December 22, 2004 – The Industrial Revitalization Corporation of Japan (“the IRCJ”) today, with the approval of the Industrial Revitalization Committee, transferred all the debt it held of Hattori Gangu K.K. (“Hattori Gangu”) to a sponsor, Takara Co., Ltd. (“Takara”). The transfer means that the IRCJ no longer holds any debt or other obligations relating to Hattori Gangu.

1. Name of company concerned

Hattori Gangu K.K.

2. Process to date

On August 31, 2004 the IRCJ approved an application for assistance by Hattori Gangu under Article 22, Clause 3 of the Industrial Revitalization Corporation Act of 2003. On November 30, 2004 under Article 25, Clause 1 of the same act, the IRCJ reached agreement with financial institutions on the purchase of this company’s debts.

Hattori Gangu already has a contract with Takara to transfer its business, and a corporate divestiture and subsequent continuation of operations is planned for February 2005. In advance of this, the IRCJ has transferred the debt of Hattori Gangu to Takara.

3. Amount of debt

The principal value of Hattori Gangu’s debt purchased from financial institutions by the IRCJ was ¥1,961 million*, for which the IRCJ paid ¥1,108 million yen. The entire amount of this debt has now been transferred to Takara.

* This figure differs from the figure announced at the time of the decision to support the business revitalization of Hattori Gangu, due to factors such as the repayment of debt through the sale of securities held as collateral.

4. Comment from the state ministers in charge of the Industrial Revitalization Corporation of Japan

None expressed.

Note on comments from ministers: The IRCJ is a quasi-governmental organization. As such, the IRCJ is required to obtain comments about decisions to assist private-sector companies from the three government ministers in charge of the IRCJ.

For more information, please contact

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About the IRCJ

The IRCJ was established jointly by the public and private sector on April 16, 2003, with the aim of providing revitalization assistance beneficial to both the industrial and the financial sectors in Japan. It targets assistance at companies that have sound business fundamentals but are unable to thrive because of excessive debt levels or other factors. The IRCJ has approximately 200 employees and is based in Tokyo. For more information please visit www.ircj.co.jp